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BLACKS in NEW JERSEY: 1980

This is a statement of problems and a list of opportunities confronting the State of New Jersey and its Black constituents as we enter the decade of the 1980's.

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INTRODUCTION

As has historically been the case, Blacks in New Jersey during the 1970's, have patiently awaited progressive governmental action, that would assist us in entering the state's mainstream. We have made great strides in the development of a positive self perception as a result of the activism our young people inspired in us in the 1960's. The issues we faced in the decade of the sixties, however, were dramatically different from those of the past ten years. In fact, some gains achieved by our community during the turbulent period of civil rights achievement were cruelly taken away.

Now we confront the eighties, a span of time that provides a frame within which we can measure our accomplishments. The fact that we are entering a new decade is only significant because of the opportunities it allows us to pursue and hopefully, realize, consistent with the aspirations of our community. We face a challenge of awesome proportions -- to lift the Black community of this state out of the severe depression in which it now resides. Our expectations are limited by the realities of diminishing support among New Jersey policymakers for the goals we pursue. Yet, we cannot allow negativism to stem our concerted drive for equality of treatment for those who look to us for leadership.

We have prepared this statement of problems facing Blacks in the State of New Jersey as we enter the '80's because it needed to be done. We urge

the Governor and our colleagues in the Legislature to seriously consider the issues we raise and the actions we propose. As Governor Byrne said in his January 1975, Address to the Legislature in reference to our urban crisis, *"We cannot ignore the problems of our cities and their people. Simple justice precludes it; self-interest forbids it."*

The abolitionists in the 19th century sought not only to gain political freedom for Black slaves; they also forged a plan for the social and economic recovery of all poor people in the country. That policy had three main tenets:

- (1) Political equality through universal suffrage,
- (2) Social equality through public education, and
- (3) Economic parity through the guarantee of a means to earn a living.

In 1863, none of these guarantees existed for all Americans. On February 6, 1980, none of these guarantees exist for all Americans.

URBAN ECONOMIC REVITALIZATION

A study released in August 1979, by the Regional Plan Association entitled, "New Jersey Cities," states that reversing the long trend of city decline will be difficult to do. The data referred to in the study that lend support to this view include the following:

- The state's most recent population estimates indicated that Newark lost an eighth (over 30,000 people) of its population in the first six years of the 1970's.
- Retail sales declined by more than a fifth in the largest six cities between 1963 and 1975 (constant dollars) and by more than a tenth in the next largest 17.
- Despite a relative drop in city taxes recently, real estate tax levels in cities remain far above most suburban and other taxes.
- The percentage of city household without automobiles increases, so that the out-movement of jobs and services meant a thinning of opportunities for a rising proportion of residents.

The study presents a forceful argument, however, that New Jersey cities are making a valiant effort toward revitalization. We, accordingly, believe that what has been done during the 1970's on behalf of cities by state and federal government should be perceived as the building blocks capable of carrying us into the 1980's. All of us recognize that working alone, New Jersey's cities are severely handicapped, but in combination with support from state and federal agencies much can be accomplished.

While we are aware of the crucial role of the federal government in urban revitalization, we are here primarily concerned about the responsibilities in this area of New Jersey government.

In January, 1975, Governor Byrne in addressing the Legislature stated:

"Any effort to improve the quality of life in New Jersey and protect our resources must begin with the standards of service in our cities. If we -- the Administration and the Legislature -- fail in our promise to those who are in urban centers, we will have broken our pledge to make the future as just as it can be."

Almost three years later to the day, Governor Byrne in his Fourth Annual Message to the Legislature stated:

"A recent Brookings Institution study concludes that ten of our cities are among the 100 most distressed urban areas in the country. The litany of our problems is well known. Unemployment is disproportionately high; housing stock is in dire need of rehabilitation; urban education, although showing some improvement, is in crisis; and the search for a safe and healthy environment drives people and industry to the suburbs."

Having acknowledged the existence of the problems during the 1970's, and undertaken the beginning steps toward their correction, the 1980's offer the opportunity and the challenge to transform commitment to action.

We can indeed move effectively to make the cities of New Jersey better places in which to live during the eighties. We confront the following real challenges as we prepare for the years to come:

•The capital infrastructure of urban places continued to decline in the 1970's. Most cities lack the fiscal capacity for such improvements. For example, it is estimated that Newark, Jersey City and Elizabeth together will require about 3% per year of their estimated annual investment need for water, sewer, and street improvements. Yet, state assistance to urban capital improvement in the '70's was negligible.

The 1970's saw development of several initiatives toward a state development policy. Effective policies have been developed to safeguard environmental concerns such as the Pinelands, coastal zones, and open space. In contrast, the Governor's Urban Development Task Force Report, announced in 1978, has produced no policy to aid urban growth and discourage suburban sprawl. Nor has there been significant policies developed to enhance the urban environment.

The 1970's saw the growth of stronger state fiscal aids to localities. The income tax and education financing reform were designed to reduce reliance on local property taxes. Laws such as the Qualified Bond Act, the Urban Aid Program, and the Safe and Clean Streets Program were to provide direct state aid. The State developed a policy regarding payment in lieu of taxes for tax exempt state property in local areas.

The 1970's saw increased state activity to aid financing of urban development, principally through revenue bond authorities, housing finance and mortgage agencies, and economic development authorities, which expanded or initiated new urban-related activities. In addition, the Port Authority of New York and New Jersey began new efforts. Yet, the trend of lagging private investment continues. While, for example, national investment per production worker in manufacturing is \$2,210, it is estimated that only \$1,200 of such investment is made in urban areas of New Jersey.

Accordingly, we are of the opinion that the opportunities before us should be pursued aggressively. Therefore, our recommendations for the 1980's are as follows:

•We call for the Governor and Legislature to develop a means of assisting targeted urban areas with development and maintenance of their capital infrastructure -- roads, sewers, water lines, street lights, public amenities. Clearly, urban economic development cannot progress without these elements.

Yet the scope of the needed work is beyond the fiscal capacity of cities. In addition, urban centers serve a regional population, therefore, the benefits of urban capital development reach beyond city taxing boundaries, for this reason, state assistance is essential.

•We call for the Governor and Legislature to recognize that environmental preservation in the Coastal Zones and Pine-lands should be coupled with environmental rehabilitation and enhancement of urban centers. Strategies must be developed to repair or rebuild urban port districts, streams, and parklands. Funds must be provided for urban resource recovery centers and the monitoring of hazardous and chemical wastes within urban abandoned buildings and vacant lots.

•We call for the establishment of coordinated policies to target state capital funds toward cities, and for an equitable, but effective process to review and channel major new development in appropriate places as objectives to be enacted by fiscal year '81 and fully implemented by FY '82.

Despite state efforts to aid urban fiscal viability, that viability remains in doubt. We call on the Governor and the Legislature to examine the overall effect of state fiscal and economic development and aid to cities. Some major issues, principally tax abatement and tax exemption, have never been adequately addressed. Thus, development of tax abated private buildings or exempt public facilities frequently offers little fiscal improvement to cities and often impose a net cost in terms of city services which must be provided.

In addition, other reforms instituted in the '70's -- principally the Income Tax as a means to reduce the reliance on local property taxes -- needs to be reviewed. We call for a total re-evaluation of the impact of state policies on urban fiscal capacity and ability to attract and support economic development in the 1980's. Specifically, we urge that consideration be given to modifying the existing income tax structure, resulting in the impact of the tax becoming more progressive than is now the case.

EDUCATION

(Elementary & Secondary)

The system of education a community affords its children is as basic a thread in the quality of life of that community as is the specific character which gives definition to that community. The choice to live in one community rather than another is most often a function of the services available, the relative cost of those services, job proximity and opportunity, and those cost of living correlatives which make the affordability of basic services, i.e., education, compatible with the quality needs of those who consume. Most often in New Jersey, residents of communities with significant minority populations are less able to choose where they may live and are less able to impact on the quality of services their communities can provide with an accompanying inability to purchase alternative services.

New Jersey's public education system was ushered into the '70's under the leadership of former Commissioner Carl Marburger, an advocate of parental involvement. This leadership provided greater access to previously uninvolved and powerless parents, thereby effecting a realignment of policy-making considerations. This involvement of parents, usually by mandate, did not, however, maximize the potential of this vehicle to create the positive changes in the achievement levels of students -- the basic thrust of goals identified for this period. In fact, despite parent involvement, the key ingredients which impact on the quality of education have shown little improvement.

In 1975, the per capita income of most urban/minority communities was below the state average of \$5,600. The per capita income in Newark was a

meager \$3,586; in Atlantic City, \$1,952; in Passaic, \$4,457; in Paterson, \$3,950; in East Orange, \$5,259; in Jersey City, \$4,555; and in Trenton, \$4,164.

In 1978, the equalized valuation per pupil in these same communities was \$25,476 in Newark; \$65,251 in Atlantic City; \$42,219 in Passaic; \$32,029 in Paterson; \$34,797 in East Orange; \$37,357 in Jersey City; and \$32,299 in Trenton. The state average equalized valuation per pupil in 1978 was \$86,520.

In 1979, despite legislative thrusts in 1978 and 1979 to reduce the gaps in the equalized tax rates between communities, the gaps remained stable. The equalized tax rates in 1979 for those communities cited here were 5.05 in Newark; 4.35 in Atlantic City; 5.7 in Jersey City; and 5.45 in Trenton. Except for Trenton, each other community cited showed a slight decrease between 1978 and 1979; but were all still well above the state average equalized tax rate of 2.79.

The state average minority enrollment in 1979-80 was 25%. The seven communities mentioned here all have overwhelmingly minority school populations. The percentage of minority enrollment in these communities ranged from 75.2% in Atlantic City to 99.3% in East Orange. The AFDC enrollment was correspondingly high, ranging from 35% in East Orange to 77% in Atlantic City, while the state average was only 16%. The 1978-79 estimated percentages of pupils below minimum standards showed a state average of 29%. In contrast, Newark's average was 64%; 50% in Atlantic City; 57% in Passaic; 60% in Paterson; 54% in East Orange; 52% in Jersey City and 55% in Trenton. The projections for 1980-81 are no less grim, ranging from 47% in Jersey City to 64% in Atlantic City. The projected state average remains as 29%.

Summarizing these statistics which best demonstrate the relationship between the ability to adequately finance a community's school system and the

impact on learning levels, these communities are usually poorest in income, have less equalized valuation behind their pupils, have higher equalized tax rates, include greatest concentrations of minority students and have a far greater and atrociously imbalanced percentage of pupils below minimum standards for achievement than does New Jersey's suburban/rural communities. Urban communities have less to spend, more to educate, less ratables to tax at a higher tax rate, and not surprisingly, have lower achievement levels.

"Money alone will not solve the educational problems in our cities. However, adequate funding is a necessary, if not sufficient condition. Adequate funds are central to any attempts to improve education for minorities."

Earl Preston Thomas,
N.J. Education Reform Project

Just as Robinson v. Cahill provided the impetus for state action to remedy the inequities of New Jersey's system of school finance in the '70's, further steps must now be taken to continue public discussions of ways for continued remedy. While litigation is one available source with which to forge public policy, it cannot be seen as a singular option.

•The Legislature and Administration must meet squarely their mandate to alleviate the inequities between communities in their abilities to adequately finance the education of students.

•The Legislature and Administration must evidence a more highly prioritized concern for fiscal remedies as much in the budgeting decisions as in the debate of the issues and their merits.

There are few who would argue that there is no need for standards of achievement in our schools. Few would disagree that there is a need to esta-

blish and maintain instruments by which our school systems must assess their successes or failures in adequately equipping students with skills sufficient to maintain human survival viability and the impliedly necessary socio/economic viability to meet the technical challenges of the eighties. While much public debate is ongoing as to the merits and demerits of standards and school district classifications for success or failure in meeting these standards, the caveat is clear: standards may be confused by unreasonable and inconsistent goals; school district classifications may become another way to "stigmatize."

•Those of us who serve by public will, must be clear and united with our citizens to vigilantly guard against the unreasonable goal or standard and that present proposals not be allowed to be implemented without considering the disparities between what some communities can afford to do and what others cannot.

•We must demand that any classifications of school districts include criteria which precludes stigmatization.

We must insist that those in whose care we daily entrust our children exercise the utmost care to insure that students do learn and are taught.

•We must look to the Florida lessons of precedent to assure that our pursuit of standards for achievement are not punitive or discriminatory.

While teachers cannot be held accountable for those variables that public policy, public funding, and public apathy control, their effective lobbying activities do impact on education policy decisions. Teachers must have greater accountability for what students learn or fail to learn.

•Teachers must be given support for acquiring what they need for effective instruction and must be answerable for what they fail to do when given such support.

Parents now have greater access to the processes of school decision making than during most previous historical periods. Parents, too, must be more accountable in our strategies to improve the quality of education for our children. While participating in decision-making (vouchers or no vouchers; more teachers, less teachers or different teachers; old principals versus new principals; new schools, less schools or improved school facilities, classification or no classification, etc.), parents must act with care and consistency to remember who the true consumer is -- the student. Co-option of parents by the very system they once challenged cannot function to shade the remedying of past poor achievement.

- Creative solutions must be forged by parent and teacher and more visible and non-conflictual parental involvement must be maintained. Failure to do at least this will only hamper our future attempts to find solutions.

- Parents must accept their fair share of the responsibility for the outcomes we now review and contemplate and must increase their involvement so as to remain a tremendously viable resource.

The challenge of this new decade must be more than a maintenance operation. It must be more than simple vigilance. It must be more than added dollars. It must be more than legislative action and policy. The challenge now is to not only heal the wounds caused by unequal resources but also to forge new modes of treatment for long-standing ills.

- We must provide a rearrangement of power prerogatives that fairly provide real possibilities for our youngsters to learn. Money, people, techniques and strategies, as well as renewed commitment, continue to represent obvious needs; we must use them to begin to treat what we know to be the symptoms, by

getting to the core of these obvious ills.

Moreover, no serious consideration of the problems facing New Jersey's cities and their residents is complete without discussion of state "CAP's" on municipal, county and school district expenditures. In short, the "CAP's" are restrictive and seriously inhibit government's ability to meet the needs of its residents. We must evaluate the "CAP's" on a periodic basis to accomodate cyclical changes in the economy that may warrant a growth in public expenditures.

The eighties demand that we become more than practitioners treating already diagnosed clients; we must now concentrate as much of our energies to finding the "cures" as do those of us who must treat the victims, speak after the fact -- of preventive care.

HIGHER EDUCATION

Higher education is a primary vehicle by which Blacks and other minority group members have gained occupational flexibility and economic mobility. During the decade of the 1970's, New Jersey's higher education system continued to experience growth. During this period the system was committed to achieving equity and equal opportunity for Blacks as a matter of public policy. In assessing the performance of the system in meeting this commitment, we must examine indicators of access and distribution.

Access, the opportunity to enter the system, has been improved for Blacks and most significantly for those with low incomes and from educationally disadvantaged backgrounds. Prior to 1968, all minorities were no more than 1% of full time enrollment in New Jersey's colleges. By the mid '70's minority students had become proportionately more numerous in the New Jersey college student population than they were in the state as a whole. In 1976, enrollment figures indicate that Black students comprise 11.2% of all full-time college students in New Jersey. Significantly, students admitted thru the Educational Opportunity Fund Program accounted for almost one half (48%) of the state's full-time Black student enrollment.

Equal opportunity has not been achieved with regard to distribution of Blacks among the types of institutions attended and the fields of study. Black enrollment in New Jersey's colleges and universities is disproportionately concentrated in the community college sector. Statistics show that 50.8% of the first time full time Black freshmen and 38.7% of full-time Black students enrolled in pre-baccalaureate study attend community colleges. The state colleges, Rutgers, NJIT, and the independent colleges, enroll fewer Blacks than would be expected given the size of their enrollment. Black

enrollment at both the undergraduate and graduate level is disproportionately concentrated in a small number of non science, non technical oriented fields (education, social work, liberal arts, etc.).

We must recognize that affirmative action in employment and equal opportunity in education are inextricably connected. In Research Report 78 1 of the New Jersey Department of Higher Education, it was indicated that Blacks and Hispanics make up about 16.8 percent of the individuals listed at the Executive/Administrative/Managerial level of colleges and universities in the state. At first glance, these figures would seem to reflect New Jersey's Black (10.7%) and Hispanic (4%) population. However, before solace can be drawn from these figures, it should be noted that many of the individuals listed in the Executive/Administrative? managerial category are below the Vice President or Dean level. Further, most are employed in special programs dealing with minorities and thus do not constitute positions in the main stream of higher education administration. In addition, it must be recognized that those individuals are employed on "soft money": when the programs go, so do the minority employees. When all factors are considered, Blacks and Hispanics comprise less than three percent of central administrators in upper echelon positions in the colleges and universities of New Jersey. That low figures dwindle even further when one considers that half of this number are in a single urban community college. A similar trend is evident when one reviews the employment of Blacks as faculty at New Jersey's colleges and universities.

As the decade ended we witnessed Black students again raising issues related to access, support services and retention. These concerns suggest that the higher education system must focus more energy in pursuit of its goals of equity and equal opportunity. In the 1980's, these goals will have to be achieved as the system adjusts to declining enrollment.

The expectation that college enrollments will decline during the 1980's is based largely on a projected decline in the number of high school graduates. It is also projected that the number of Blacks and Hispanics graduating from high school will be increasing, both in absolute numbers and as a percentage of total high school graduates. If Black and Hispanic enrollments in 1985 equal their portion among high school graduates, then full-time undergraduate enrollment of Blacks and Hispanics will be approximately 21% of total undergraduate enrollment compared with 16% in 1978. Success of current efforts to increase both the high school graduation rate and the college going rate for Blacks and Hispanics could further increase representation of Blacks and Hispanics in New Jersey's higher education system. The competition for students and the goals of equity and equal opportunity will require that we increase attention given to the distribution and persistence of Blacks within the system, while continuing to develop new approaches to expand access. These efforts must be undertaken even as the system reallocates its available resources to meet its broader mandates.

The New Jersey Black Legislators recommend that:

- The Board of Higher Education, as part of its Master Plan for the 1980's, provide clear policy direction for furthering the goals of equity and equal opportunity for the entire system, to include adequate financial aid, the provision of appropriate remedial education programs, and affirmative action in staffing.
- The Legislature and Governor fund increased enrollments and expanded support services for the New Jersey Educational Opportunity Fund Program.
- The Department of Higher Education provide leadership in the establishment of access programs for Blacks in post secondary education at the undergraduate, graduate and professional

school levels. These programs should enhance enrollment in the fields of:

- Accounting, Economics and Finance;
- Architectural and Environmental Design;
- Biological Sciences;
- Physical Sciences;
- Computer and Information Sciences;
- Engineering;
- Health Professions;
- Law;
- Mathematics;

- The Legislature and Governor should continue the appropriation of funds for post-secondary institutions located in or near areas which have a large population of Black students to develop articulation programs with local high schools.

- The Department of Higher Education in conjunction with urban aid school districts expand targeted enrichment programs. These programs should be concentrated in mathematics and science fields to prepare Black students for post-secondary work in those fields in which they have traditionally been underrepresented.

- The Legislature enact legislation strengthening the governance and finance of community colleges. Such legislation should increase the level of state financial support to community colleges to insure the continued availability of this avenue of access to higher education for Blacks.

- The Governor increase the number of Blacks appointed to the Boards of trustees of public institutions, The Board of Higher Education and its policy making bodies.

- Each institution of higher education which evidences underutilization of Blacks in faculty and major

administrative positions should be directed by the Department of Higher Education to take immediate steps which result in the employment of Blacks. New Jersey's graduate schools should be utilized to train a pool of qualified candidates.

•The Governor should establish internships for Blacks in State Government which are designed to prepare Blacks for employment in the following areas:

- Legislative services
- Executive branch
- Judiciary

EMPLOYMENT

The decade of the '70's was significant for the majority of blacks in America and in New Jersey because of the intolerably high levels of unemployment which have not abated. Allow us to share a few facts.

According to Dr. Robert B. Hill, Director of Research for the National Urban League, the jobless gap between blacks and whites continues to widen. By 1978, the black jobless rate was 2.3 times greater than the white jobless rate -- the widest it has ever been. Further, the income gap between black and white families continues to widen.

Between 1975 and 1977, the ratio of black to white family income fell from 62 to 57% -- the widest during the 1970's. While unemployment has declined for most groups of workers, the number of jobless black adult men, women and teenagers is higher today than it was during the 1974-75 recession. Blacks obtained one of the smallest shares of new jobs in the private sector. Over half (53%) of the new jobs in private industry between 1974-77 went to white women, 26% to white men, 12% went to Hispanics, while blacks and Asians obtained only 5% of these jobs. White high school dropouts have lower unemployment rates (16.7%) than black youth with some college education (21.4%), and about the same jobless rates (16.5%) as black college graduates.

In 1977, the N.J. Department of Labor and Industry stated that while minorities account for almost 31.5% of the employment in Essex County, they represent 52.0% of the unemployment. In Union County, the minority group totals 14.8% of employment, but 24.2% of unemployment. A similar pattern of disproportionate unemployment rates between minorities and whites exists

throughout the state. This is a grim reality for the 1980's. But, the statistics of the past need not be the promise of the future for blacks in the State of New Jersey.

One of the bright spots during the past decade was the expansion of federal support for job programs to assist the economically disadvantaged. In 1970, such programs were funded at \$1.4 billion, but by FY '80, the federal government planned to spend about \$10 billion for these purposes. However, the federal jobs and training programs do not offer a "quick fix" solution to all the ills in unemployment, discrimination and poverty. Such programs however, have demonstrated a capacity to improve the employment and earnings status of many participants, especially when the programs were carefully targeted to persons with greatest needs; were well managed; and were tailored carefully to the realities of the labor market. In the 1980's, employment and training programs will continue to play a major role in the social policy mix designed to reduce unemployment. This is especially true of youth employment programs.

Black youth continue to have very high unemployment rates, as previously cited, and the black proportion of the youth population is expected to increase during the next decade.

What, then, can be done on the state level to alleviate these critical concerns?

The Governor should vigorously implement Executive Orders No. 14 and 61 which provide for the setting of goals and timetables regarding the hiring of minorities and women in all State departments and instrumentalities. There must be an enforcement mechanism established and sanctions applied to ensure that compliance becomes reality.

•Since the trend of job and industry movement is to the suburbs, the Governor and Legislature must vigilantly scrutinize federal policies and adopt supplementary state policies, where appropriate, that will make suburban job opportunities available to low and moderate income families, through housing programs, improved public transportation and vigorous enforcement of affirmative action and equal opportunity mandates.

•We urge local governments to cooperate with state initiatives in the area of affirmative action by establishing affirmative action offices. We are particularly concerned that there be, within municipal affirmative action programs, a mechanism to assist fire and police personnel in their recruitment practices.

•Finally, through his influence as Chief Executive of the State, the Governor must strongly encourage the private sector to create a partnership with the public sector and participate in the several programs throughout the state designed to target jobs and training programs to economically disadvantaged citizens. Indeed, all departments and agencies must recognize their clear responsibility toward the employment of minorities and women whenever possible -- if this is not clear, the State of New Jersey will continue to have a dangerously high unemployment rate among minorities and youth which is a disservice to the well being of the entire state.

MINORITY BUSINESS DEVELOPMENT

Historically, minority business development has been constrained by limited opportunity, denial of resources and exclusion from wider business experiences. History has also demonstrated that any minority in America different from the majority group by custom, language, or skin color has borne the brunt of intense discrimination and prejudice. As a result, minorities were forced to struggle in the courtrooms and use other devices to achieve new levels of freedom to share in the opportunities enjoyed by the majority of Americans. In these struggles for civil rights, many legal impediments to social and political freedoms were removed. However, economic freedom still remains a dream for most minorities in America, and unchallengeably, in the State of New Jersey.

Every citizen in the State of New Jersey should have the maximum practicable opportunity to contribute fully to the economic growth and well being of the State and to participate fully in the fruits and benefits of that growth.

During the decade of the '70's, the State of New Jersey had taken initiatives to bring minorities into the entrepreneurial mainstream, however, these initiatives in the form of affirmative action programs, urban loan programs and the like were largely unenforceable, lacking the distinctive and mandatory clout of executive and legislative authority. It has been demonstrated, in a most recent study, that minority-owned firms which have proven themselves by staying in business a number of years, have virtually the same ability to be successful as their non-minority peers. Established

minority-owned firms perform as well as non-minority business establishments having similar characteristics in terms of size, age, industry and location, although their profit margins are considerably lower.

In 1972, 1,500 New Jersey based minority businesses in the construction, manufacturing, transportation/public utilities, wholesale trade, retail trade and other industries provided 8,000 jobs. Their gross receipts totalled \$250 million. However, it is critical to note that the profit margins of these firms constituted less than 10% of their gross receipts. Nationally, the U.S. Department of Commerce reports that currently minorities only control a mere 4.4% of all U.S. business, generate 0.7% of all U.S. business receipts and provide employment for 0.8% of all available U.S. employees. Additionally, in 1972, although minorities constituted 18% of the population, only 4% of the total number of firms were minority owned.

The Federal government has begun to provide opportunities for the expansion of minority business enterprise through the Departments of Commerce, Defense, Transportation and Environmental Protection. All of these agencies now have minority business preference programs which have created a demand for minority businesses and have provided an eager and capable supply of experienced firms.

From 1977 to 1980, the Local Public Works Round II Program, alone, provided more than \$28 million dollars in contracts for minority firms. At least 86% of these funds were received by 300 firms which are New Jersey based enterprises. These federal programs illustrate the potential economic contribution of minority firms to the economic viability of this state and thus the necessity of formulating clear, enforceable policies which encourage the emergence and continuation of minority firms.

Accordingly, our major concerns and recommendations as they relate to minority business will center upon these three key areas: (1) state procurement assistance, (2) financial assistance and (3) program management and implementation.

First, and before all else, there is an urgent need to establish a uniform definition of minority business that will apply to all state procurement contracting activity. Such a definition should mandate ownership, control and management of at least fifty-one percent (51%) of the business and relate only to American citizens who are either:

- Black
- Hispanics of Mexican, Cuban or Puerto Rican descent
- Eskimos and Aleuts
- Asian and Pacific Islanders
- American Indians

Additionally, to ensure that maximum benefits will accrue to all minorities in the state, it must be mandated that at least fifty percent (50%) of the total workforce of such businesses include minority and disadvantaged individuals. This will undoubtedly assist in ameliorating New Jersey's high unemployment rate for minorities.

Regarding procurement assistance, we urge the Governor by Executive Order, and the Legislature, through legislation, to establish mandatory goals for all state procurements and grants to localities and public and private institutions on a contract by contract or agency wide basis for minority owned businesses. Further, the Governor should establish, as part of the budget process,

a formal reporting and goal setting system, requiring all departments and instrumentalities to specify and separately make public the resources they plan to make available to minority owned businesses. The departments and instrumentalities shall also be mandated to publicly report the levels of attainment of these goals.

Virtually everyone connected with the minority contracting industry agrees that surety bonding is one of the biggest obstacles to the development of minority firms. Indeed, spokesmen for the surety industry admit that their "tight underwriting" standards conflict with efforts to expand minority participation in the construction industry. The New Jersey Legislature can assist in alleviating this major impediment through swift adoption and implementation of Senate Bill 442, which would permit contracting boards, officers and agents to waive in full or in part, bonding requirements as established by State law in the case of certain sub contractors. This legislation would enable contracting officers to negotiate an agreement with a contractor whereby the interests of the public agency would be protected by means other than that of a surety bond.

We urge the Governor to sign Senate Bill 3191 and Assembly Bill 3244 which would permit the State to waive the bonding requirement for the construction of public projects and the purchasing of supplies and materials up to certain limits.

•Concerning minority financial assistance, we believe existing loan and loan guarantee programs must be expanded to meet the increased demand for capital by both new and existing minority businesses. This is particularly necessary for those businesses which operate in high unemployment areas. In addition to public sector assistance, the private sector must be encouraged to make larger investments into the pool of resources available to minority business. Again, the New Jersey Legislature can take a key initiative through enactment of Senate Bill 451 which authorizes the New Jersey Commission on Capital Budget and Planning to set aside for bidding by minority enterprises, designated projects or portions of projects.

•In the area of program management and implementation, the Governor must ensure the effective implementation and enforcement of PL 1979, Chapter 266 which amends PL 1945, Chapter 169, the Law Against Discrimination. The management and technical assistance provisions of the law will only have a positive effect if vigorously implemented. If regulations to ensure the utilization of small and minority business in sub-contracting activity are not developed, these same businesses will not benefit from well-intended, but ineffective, legislation.

•Finally, the Governor and the Legislature must designate one organization within the State government which will have the overall and definitive responsibility for

the planning, coordination and implementation of the State business effort. Thus, we strongly advocate the passage of Senate Bill 874 and 416 which would create a Department of Commerce and Economic Development at the Cabinet Level and an Office of Small Business Assistance.

HEALTH CARE

According to Julius Richmond, U.S. Surgeon General, in H.E.W.'s Fourth Annual Report on the Status of Health of the Nation, America's "health is better than ever." Unfortunately, this does not hold true for the poor. The early infant mortality rate remains 2½ times higher for minorities, while the maternal death rate is three times higher. The life expectancy of minorities, male and female, is on an average, five years less than their white counterparts. The rising death rates for minorities from cancer (particularly in Black males), and from cirrhosis, diabetes, and tuberculosis, are approaching epidemic proportions. In the words of Vernon E. Jordan, Jr., President of the National Urban League, "...being Black is dangerous to your health." In addition to these health indices which clearly refute the conclusion that America's "health is better than ever", consider these facts:

- Blacks live an average of 67 years while whites average 72.7 years.

- Black males live an average of 64.1 years compared to 69.7 for white males.

- Blacks comprise 12% of the United States population, but have only 2% of its medical doctors and even less of other health manpower.

The questions arise...why are there such disparities? Are the excess deaths a result of a tendency toward crisis care rather than preventive maintenance? A result of urban environmental factors? Stress factors? Genetic predisposition? Non-compliance with health care regimens or more

importantly, were inability to pay the cost of care.

If we accept the World Health Organization's definition of health: *"Health is a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity..."*, then it is clear that our direction must be a push for legislation which addresses the inequities in the fee-for-services system, and legislation which also addresses the maldistribution of health services and health manpower.

Specifically, in New Jersey, we must study regionalization, review and thoroughly acquaint ourselves with the more than 30 required health services mandated by State Statute and monitor the management and review mechanisms for each, determine whether your local health boards and the Commissioner are doing a satisfactory job, and finally, apprise our respective communities' health needs:

In setting goals for 1980, some consensus among us should be reached on President Carter's health initiatives which include:

- Unprecedented emphasis on prevention and health promotion
- Increased funding for environmental health
- Occupational safety
- Traffic safety
- Water fluoridation
- Drug reform

The State of New Jersey is closely aligned with many of his goals, but as Black Legislators, our more immediate problems are:

- To provide critically needed nursing homes and home care for the elderly; and
- To secure equity in regionalization of health services

We, as Black leaders, must work for all these goals. However, concentrated attention and efforts to the equity of cost containment measures should be our thrust.

Regulatory and economic concerns have taken center stage in the development of health care strategies and policies for New Jersey. Meeting the health needs of New Jerseyans is a monumentally, costly task, which in view of budgetary constraints and state spending "CAP's", necessitates fiscal surgery.

Consider this year, the beginning of the decade, Americans will spend over \$250 billion dollars on health care. Approximately 9% of the gross national product -- \$1 of every \$11 is spent for a broad array of health services ranging from new drugs to advanced technology. Federal health care spending, alone, costs approximately \$60 billion a year which represents a significant portion of medicare and medicaid allocations.

In a time when the economics of health care -- better known as cost containment -- is under scrutiny, and when many federally funded health services are being curtailed as economic necessity, it is imperative for us to understand that the issue of the '80's is how to guarantee access while restraining costs, and without reducing quality of care.

To effectively plan for optimum health care in the '80's, we must prepare ourselves to become fully cognizant of:

- The health status of the U.S., the State and more specifically, each of our own respective communities.
- Appropriate mechanisms to evaluate the use of health resources, i.e. facilities and manpower.
- The scarcity of health providers at the primary level in urban areas.

Historically, New Jersey has attacked the problem of the lack of health care through pursuit and establishment of federally supported programs. Federal funds have supported activities such as drug and alcohol treatment programs, hypertension screening programs, fluoridation, urban rodent control programs, childhood lead detection and prevention programs, maternal and infant care and nutritional improvement programs.

New Jersey has put very little of its taxpayer generated revenues into direct health services. Only recently have the Legislators attempted to address the needs of the elderly and the disabled by dedication of casino tax revenues for the Pharmaceutical Assistance Program.

New Jersey, as a practice, when economic constraints demanded it, has reduced benefits and scope of services under the state medicaid program. Additionally, New Jersey has refused to enact a medically needy program that would finance the care of 28% of Blacks who are poor but not eligible for categorical assistance programs -- and the 22% near poor or working poor who cannot afford to purchase the health care that they require. There is an untold number of Blacks who, as a result of the high unemployment rate, receive unemployment insurance. Yet, those who fit into this category, are not covered by any state or federal program for their health care needs. If the total unemployment rate for Blacks in urban areas exceeds 14%, then this particular uncovered population is significant.

Specific action we believe necessary as we enter the '80's is as follows:

- Enactment of medically needy programs that finance or allow for the reimbursement of care to the working poor who do not qualify or cannot afford third party coverage. Such a program must provide for some economic incentive that stresses health

promotion and disease prevention, rather than treatment of episodic illness;

- Licensing of health care practitioners such as Nurse Practitioners, Physician Assistants, Nurse Midwives, etc. The availability of this additional source of health manpower will help to lessen the impact of the scarcity of primary care physicians in urban and rural areas;

- Establishment of training programs in selected areas of the state to train health professionals and paraprofessionals in recognizing and treating illnesses such as those that take a high toll of infant deaths, i.e. all sexually transmitted diseases, (including PID, syphilis, gonococcus, herpes, Group B streptococcus, etc.);

- New Jersey State Health Department has enacted minimum standards for local health departments, however, what is needed is the establishment of an ongoing program that provides technical assistance, financial support and evaluation of local health department performances. Regionalization of some public health activity should be stressed as opposed to many small health departments duplicating this effort;

- Enactment of legislation and implementation of appropriate regulations that dispel the confusion and lack of coordination of services for the elderly, disabled or mentally handicapped.

- Regulations must be adopted that clearly hold specific levels of government accountable for the regulation of

facilities that provide care to the above groups. In many areas, the disabled and mentally handicapped are raped by the actions of unscrupulous owners of boarding or unlicensed nursing homes.

•Finally, legislation should be enacted to provide for and aid the development of skilled nursing facilities and boarding homes for sheltered care in all areas of the state. In this regard, greater coordination of services between the State Department of Health and the Department of Human Services must occur in order to ensure comprehensive social and health service delivery in group home facilities.

During FY '80, the HSA's will not only have the power to plan for the delivery of health services in their specific region, but also review and approve of federal funds that will become available to support many public health activities. Thus, HSA's will wield a significant amount of control over the development of health care services and health delivery system during the decade. We, as Black Legislators, must hold these agencies accountable for appropriately addressing the needs of the Black population in New Jersey.

SOCIAL WELFARE

Urban centers throughout the state have experienced significant population losses during the 1970's. These losses may be attributed to the out-migration of middle-class residents and industries from cities to outlying suburban communities.

Social policy, therefore, must address the fiscal implications for governmental entities and service needs of those who remain in cities with declining tax bases and increased demands for basic, yet diminished services.

The social service networks available to urban communities must be re-evaluated to determine areas where greatest impact needs may be considered.

This re-evaluation must consider the needs of the aged and the disparities between those needs and what is currently available to keep them healthy and contributing citizens.

We must look at the major developments of the '70's which have influence upon the family, i.e., the increase in the number of female headed households and working mothers.

This re-evaluation must include, in part, the following known needs:

- The Legislature must enact legislation that equalizes welfare costs presently borne by urban municipal and county governments;
- Escalating child care costs for working mothers must be addressed by increased supplemental funding and a concurrent accountability for greater early childhood education programs within day care facilities;

• Greater opportunities for youth to be involved in constructive recreation activities must be provided in addition to increased job opportunities to offset increasing rates of vandalism and juvenile crime which result from inadequate recreational opportunities.

• At least as much concern must be given to activities that will deter juvenile crime as is applied to programs to rehabilitate or incarcerate these youths.

• A concentrated effort must be made to offset the increasing number of teen-age pregnancies. Sex education programs together with greater counselling to counter the current peer status nature of pregnancy among teenagers as a vehicle for greater self-autonomy and affirmation must be implemented.

• The Governor and Legislature should establish Study Commissions to undertake a review of the impact of federal and state regulations and unemployment on the stability of the family.

CRIMINAL JUSTICE/CORRECTIONS

It remains a sad fact that Blacks have a disproportionate stake in progress in public policy affecting our corrections system -- courts, prisons, parole and probation apparatus. In 1975, Blacks were shown to have a rate of arrest 11 times higher than whites and a chance of imprisonment 22 times higher. The indication is that this has not changed. In 1970, 1974 and 1979, Blacks were 62%, 64% and 59% respectively, of the total state corrections population. In 1970, Blacks were 50% of the prison population; in 1979 they comprised 64% of that population.

The reasons are known and clear -- we are victimized disproportionately by poverty and the social instability that accompanies poverty. There are indications that the criminal justice system itself is biased to arrest, convict, and imprison Blacks to a greater degree than whites. When the average annual income of parolees is \$3,400, it is clear that we are caught in a vicious cycle. Breaking the roots of this cycle -- poverty and bias in the corrections system -- and attempting to establish a system which can reintegrate into the community, those offenders who desire to break out of this cycle, is clearly a top priority objective of the Black community in the 1980's.

Yet, because we represent a community that is heavily victimized by crime, we must make it clear that swift and sure punishment of criminals, especially violent and habitual offenders, is also an objective we seek. We are committed, however, to the position that rehabilitation should be the state's priority in dealing with all offenders.

What has been the record of the 1970's in corrections? What are the challenges of the '80's? The 1970's saw the start of reconstruction of Trenton Prison. The 1970's saw the groundwork laid for a new corrections system. The creation of the Department of Corrections and development of the Corrections Master Plan in 1976 brought to the state, a new visibility and greater capacity to effect corrections policy. The establishment of the new Penal Code in 1979 and the Parole Act, soon to be signed into law, provides an adequate framework. Our policy must acknowledge that there are different types of offenders in the system and that some can be reintegrated into the community, while others may require long years of rehabilitation.

The 1977 Governor's Master Plan also recommended that a locally oriented corrections plan be adopted to serve New Jersey's correctional needs. We strongly support this recommendation, which concurs with findings in other jurisdictions and has been undertaken elsewhere, notably in Minnesota, Kansas, and Maryland. The applications would be for enabling legislation to be passed such that urban and other New Jersey communities are encouraged to develop and utilize local justice resources that would further their capacity to render services aimed at reducing crime and rehabilitating ex-offenders.

Under a community based, locally oriented corrections plan, only serious violent offenders could be assigned to state correctional institutions outside the jurisdiction where a criminal conviction is found.

Responsibility for less serious, non-violent offenders should be transferred to the locally based facilities and programs. The state should provide funding for facilities and services to local units serving offenders, who, under present practices, would be incarcerated in state facilities. For example, Essex County would receive reimbursements for all offenders sentenced to twelve months or more. A single sentencing and release structure

would apply to all state offenders.

In addition to the need for development of local criminal justice resources, New Jerseyans must confront the mounting problem of juvenile crime and delinquency head-on during the 1980's. While the Code of Criminal Justice for adults has been comprehensively rewritten during the past year, the laws bearing on juvenile crime must also be attended to and revised.

Utmost among the public's concern is the need for public safety in every town and on every street, to be secured without creating a climate that pits young against old. Strengthening the laws regarding the dangerous, repetitive juvenile offender, while permitting local jurisdictions to develop local resources and placements for less serious offenders, should be this legislation's focus. Juvenile offenders who are locked in secure settings with no educational or training opportunities therein, cannot grow into productive citizens.

We, the elected representatives of the Black community identify these major policy objectives for corrections in New Jersey in this new decade.

- State funding should be provided for development of locally-based correctional programs.
- Juvenile offenses should be reviewed with utmost consideration for public safety and safe streets.
- Less serious, non-violent juvenile and adult offenses should be corrected through community-based resources.
- Community service, weekend sentencing and restitution should be encouraged to expand our community based capacity to resolve criminal infractions at the local level.

•Jurisdictions should be encouraged, through funding incentives, to handle less serious, non violent criminal offenses with local resources.

•We will shortly face the question of construction of a new prison. While the new penal code will result in greater incarceration of violent and habitual offenders, it is also clear that numerous juvenile and short term offenders do not need institutionalized settings. We call on the Governor and the Legislature to examine our policies on utilization of state prison commitment before construction of additional prison space. Present prison bedspace capacity under more appropriate incarceration policy may be sufficient for the future.

•About 1,600 offenders will be released on parole each year in the 1980's. Most will be returned to unstable social, family and economic conditions, with totally inadequate preparation. At Rahway Prison with a population of 1,550, only 60 inmates are currently receiving psychological counselling. We call for a complete overhaul and upgrading of our parole and pre-release preparation systems for more counselling, supported work and other work and educational opportunities. Transportation subsidies for inmate family visits should be continued and expanded to include all areas of the state.

•We call on the state to set, as its objective, the reduction of the recidivism rate of parolees by 25% by 1985 and by 50% by 1990.

•Conditions in our state penal institutions are, in most instances, a disgrace. We call for an end to inhuman and unsanitary conditions which exist in prisons like Rahway. We call for construction of adequate program space and prisons of adequate

maintenance and program funds. We urge continued and increased support of the Garden State School District and other education efforts. In addition, we call for better staffing and administration of our institutions. The prison administration and staff generally do not reflect the background of the predominantly Black and Hispanic inmate population creating problems in communications and service delivery. We will closely scrutinize the Department of Corrections' objectives in these areas as reflected in the FY '81 Budget and ask the Department to work with us on future objectives.

CONCLUSION

Ten New Jersey cities are among the 100 most distressed urban areas in the country, and their tax bases continue to decline. Per capita income among urban communities is 25% below the state average. Disproportionate unemployment rates between whites and blacks exist throughout the state. Minority business development is neither well-defined, conscientiously assisted through bidding and procurement guidelines, nor well-protected through surety bonding.

Twice as many urban school children function below minimum educational standards as their counterparts in suburban areas. Higher education enrollments are projected to decline during the 1980's, even though the number of black high school graduates is expected to increase. Meanwhile, black students have resurrected issues related to access, equal opportunity and attrition on state campuses.

Health care services for blacks are acutely affected by a shortage of medical practitioners and facilities. Black life spans are five years less than the average white life expectancy. Health care will be even more difficult for blacks to secure if health costs continue to rise while black income remains well below the state median.

Both arrest and incarceration rates among blacks are more than ten times higher than the rates among whites. Racial disparity permeates throughout the criminal justice system. Neither rehabilitation nor decarceration accompanied by expanded use of community-based

revenues appears to be a state priority.

The preceding represents our perception of the needs of our historically ignored constituents and a prescription for solutions that will assist in alleviating these problems. Recognize, too, that these problems cannot be addressed in a vacuum. If we are provided with jobs, but are zoned out of decent, safe, and sanitary family housing -- there will be no change. If we are granted jobs in suburbia, but without regular, convenient transportation systems -- there will be no change. If we do not coordinate our education, health, housing, transportation, and employment policies -- there cannot be change.

If these changes are not made, we can look forward to a reality set forth by Herbert Hill, who for 28 years served as National Labor Director of the NAACP:

"No doubt the commissions investigating the riots of the '60's will say the same things as the commissions that investigated the riots of the '60's."

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